



Monterey County

Board of Supervisors
Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

Legistar File Number: A 19-370

October 22, 2019

Introduced: 10/8/2019

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the membership agreement with MD Buyline Inc. for subscription and consulting services, adding \$30,000 for a revised total agreement amount not to exceed \$121,996 with no changes to the agreement term of January 3, 2018 through January 2, 2022.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the membership agreement with MD Buyline Inc. for subscription and consulting services, adding \$30,000 for a revised total agreement amount not to exceed \$121,996 with no changes to the agreement term of January 3, 2018 through January 2, 2022.

SUMMARY/DISCUSSION:

MD Buyline provides Natividad with access to its online cost analysis services which are fully automated. These cost analysis services compare new equipment quotes against other current costs in the active marketplace in real time. The reports that are auto-generated will include a cost comparative analysis and also provide Natividad with suggestions as to which areas can be more easily negotiated down. Natividad has found these reports to be extremely helpful during the procurement of medical equipment to ensure it receives competitive pricing. As a result, Natividad can make new product decisions with greater efficiency, transparency and documentation.

The original agreement with MD Buyline was executed in January 2018 for a total cost of \$91,996 with an agreement term of January 3, 2018 through January 2, 2022. This amendment No. 1 includes the addition of consulting services on an as-needed basis only specifically related to more detailed or complex equipment purchase agreements, including ongoing equipment maintenance agreements for products both in and out of warranty. Natividad believes utilizing these consulting services would yield the necessary inside-industry data that would provide Natividad more leverage to negotiate the cost down significantly on certain items.

For over 30 years, MD Buyline has provided hospitals with strategic sourcing data and advisory services supporting all types of medical equipment and technologies acquisitions including consumables.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this amendment No. 1 as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 1 has also been reviewed and approved by NMC's Finance Committee on August 22, 2019 and by its Board of Trustees on September 6, 2019.

FINANCING:

The cost for this amendment No. 1 is \$30,000 of which \$30,000 is included in the Fiscal Year 2019-20 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement is for strategic sourcing data and advisory services, the outcome of which will result in cost savings and more competitive pricing for Natividad.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

Prepared by: Daniel Leon, Chief Financial Officer, 783-2561

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

- MD Buyline Amendment 1
- MD Buyline Agreement

Attachments on file with the Clerk of the Board